

CONTRACT #3
RFS # N/A
UT Tracking #83328

University of Tennessee

VENDOR:
Campbell Clinic



RECEIVED

October 17, 2005

AUG 18 2005

FISCAL REVIEW

Mr. Jim White
Executive Director
Fiscal Review Committee
G-19 War Memorial Building
Nashville, TN 37243-0057

Dear Mr. White:

Each year the Health Science Center enters into contracts with various affiliated medical practice groups to provide supervision of residents training. All contracts are funded by the hospitals where the residents will be assigned.

The following four sole-source contracts are submitted for review by the Fiscal Review Committee in accordance with Public Chapter 413, Public Acts of 2003.

Contract with UT Medical Group

The Accreditation Council for Graduate Medical Education requires around-the-clock faculty presence in hospitals when residents are providing obstetrics and gynecology services. In accordance with the university's affiliation agreement with the UT Medical Group (UTMG), UTMG is the sole provider under which OB/GYN patient care activities of the university's full-time faculty members shall be conducted. Patient care activities are defined as medical, medical administrative, educational and related professional services to hospitals.

This contract is for supervision of OB/GYN residents at the Baptist Women's Hospital. The FY 2006 maximum liability for the contract is \$350,000. This contract is a renewal of the agreements previously approved by the Fiscal Review on December 18, 2003 and June 17, 2004.

Contract with Campbell Clinic

In May 2003, Campbell Clinic and the University of Tennessee entered into an affiliation agreement to develop a joint UT/Campbell Clinic Department of Orthopedic Surgery in the Health Science Center's College of Medicine. This agreement states that Campbell Clinic will be responsible for all orthopedic surgery education, residency training, research, and patient care programs of the College of Medicine.

The affiliation contract stipulates that residency supervisory functions be carried out by the Campbell Clinic faculty and will be compensated through contracts between the affiliated hospitals and the University of Tennessee. This contract compensates Campbell Clinic for the faculty supervision of orthopedic residents for the period July 1, 2005 through June 30, 2006 in the amount of \$783,500. This contract is a renewal of the agreements previously approved by the Fiscal Review Committee on October 9, 2003 and June 17, 2004.

Contract with Semmes-Murphey Neurologic and Spine Institute

The university has a relationship with Semmes-Murphey Neurologic and Spine Institute that is over forty years old. Semmes-Murphey provides the most highly experienced and academically trained neurologists and neurosurgeons in the region. They are the only physician group in the region with the credentials required to provide the needed services.

Signed in January 1987, the affiliation agreement between the university and Semmes-Murphey establishes the relationship by which the university obtains faculty supervision of neurology and neurosurgery residents caring for patients at the Regional Medical Center in Memphis. The contract, which provides services for July 1, 2005 through June 30, 2006 is in the amount of \$325,000. This contract is a renewal of the agreements previously approved by the Fiscal Review Committee on December 18, 2003 and June 1, 2004.

Contract with Internal Medicine Education Foundation

This contract is for supervision of internal medicine residents who are training at the Erlanger Hospital in Chattanooga. The contract is necessary because there is not a sufficient number of paid faculty in the College of Medicine – Chattanooga Unit to provide adequate teaching and supervision across the numerous subspecialties of internal medicine. The Foundation arranges for individual physicians and physician groups to provide training and supervision in the following subspecialties: allergy, cardiology, consultative medicine, dermatology, geriatrics, neurology, and rheumatology.

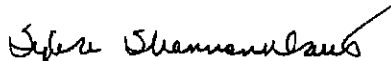
The contract is non-competitive because there is no other clinical practice in Chattanooga that has the resources to provide the supervision coverage required at Erlanger Hospital. The maximum liability for this contract, which covers the period of July 1, 2005 through June 30, 2006 is \$406,044. This contract is a renewal of the prior fiscal year's agreement approved by the Fiscal Review Committee on January 26, 2005.

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Each year the Health Science Center enters into contracts with various affiliated medical practice groups to provide supervision of residents training. All contracts are funded by the hospitals and remain relatively unchanged from year to year and reflect on-going activities between the university and affiliated partners. Given these agreements are continuous in nature and have all previously been approved at least once, as noted above, by the Fiscal Review Committee we respectfully ask the Committee's consideration to pre-approve future contracts if the terms and conditions, excluding the contractual not to exceed amount, remains unchanged.

Please let me know if you or others have questions or need additional information for the attached contracts.

Sincerely,



Sylvia Shannon Davis
Vice President for Administration and Finance

Attachment

c: Dr. John Petersen
Mr. Anthony Haynes
Dr. William F. Owen, Jr.

THE UNIVERSITY OF TENNESSEE
JUSTIFICATION FOR NON-COMPETITIVE PURCHASES AND CONTRACTS
Values of \$50,000 or More

Contract Tracking Number

Requisition Number for Items Processed through Purchasing: _____

This form must be completed for all non-competitive purchases for goods or services that are secured either through a purchasing requisition or a contract for expenditures of \$50,000 or more. This form and any other documents that support the justification of a non-competitive purchase **must be approved in advance** of securing the goods or services. Approvals include the Department Head, Director of Purchasing, and the Chief Business Officer or their designees. The Chancellor or Vice President or designee must approve expenditures of \$100,000 or more. The Vice President for Administration and Finance, or designee, must approve expenditures of \$250,000 or more.

Non-competitive service contracts, including amendments that cumulatively exceed \$250,000 must be routed to the Tennessee Legislative Fiscal Review Committee for comment. The Fiscal Review Committee has 15 days from the receipt of the contract information for comments. A minimum of 30 days will be required to process service contracts exceeding \$250,000.

Information Related to the Purchase of the Goods or Services

1. Type of Request:

- Non-Competitive Contract (Sole-Source) ☒
 Contract thru Purchasing ☐
 Requisition thru Purchasing ☐

2. Prepared By:

Name: Aaron Haynes
 Email address: ahaynes@utmem.edu
 Phone No: 901.448.5364

3. Cost Center or WBS Element:

Name: Faculty Supervision Account
 Number: R073202066

4. Proposed Contractor or Vendor:

Name: Campbell Clinic
 Address (Street): 1400 S Germantown Road
 Address (City, State, and Zip Code): Germantown, TN 38138

5. Effective Date:

Beginning Date	7-1-05
Ending Date	6-30-06

6. Estimated Cost:

783510.00

7. Source of Funds (e.g. state funds, federal funds, etc.):

contract

8. Is this an amendment to an existing contract/purchase order?

☐ Yes

☒ No

9. If Yes,

Number of Original Contract/Purchase Order
 Beginning Date of Original Contract/Purchase Order
 Amount of Original Contract/Purchase Order
 Accumulated Cost with this amendment

10. Describe the primary reason the University is entering into this contract/purchase

Supervision of Orthopaedic Residents at The Regional Medical Center

11. Describe the goods or service to be acquired.

Supervision of Orthopaedic Residents at the Regional Medical Center

12. Is there an urgent need or an emergency preventing competitive methods?

☐ Yes

☒ No

☐ N/A

If yes, please explain:

13. Is there only one product or service that can meet the specific needs or must the product or service be provided by this particular source.

☐ Yes ☒ No ☐ N/A

If yes, please explain:

14. Does proposed contractor or vendor have experience providing same or similar goods or services?

☒ Yes ☐ No

15. Has the department ever purchased these same goods or services from this vendor?

☒ Yes ☐ No

If yes, what procurement method was used? (Ex. Competitive, Non-Competitive, etc.)

non-competitive

16. If for services, was an effort made to use existing University employees to perform services?

☒ Yes ☐ No

If no, why not?

17. Is the contract for services from another governmental unit, such as a State or federal agency, or from another college or university?

☐ Yes ☒ No

Justification

A complete justification must be provided to explain why the University should acquire the goods or services through non-competitive procurement request rather than through a competitive process. (Note: Being the "only known" or "best" is not deemed adequate justification.)

Campbell Clinic and the University of Tennessee developed a joint University of Tennessee-Campbell Clinic Department of Orthopaedic Surgery in the College of Medicine. See the UT/Campbell Clinic Affiliation Agreement. The agreement states that Campbell Clinic will be responsible for all orthopaedic surgery educational, residency training, research, and patient care programs of the College of Medicine and that residency supervisory functions carried out by the faculty of the Department will be compensated through contracts between the affiliated hospitals and the University of Tennessee. This is contract money received from the

Regional Medical Center and then paid to Campbell Clinic for these services.

UNIVERSITY OF TENNESSEE & CAMPBELL CLINIC
AGREEMENT
ORTHOPAEDIC SURGERY GRADUATE MEDICAL EDUCATION SUPERVISION
REGIONAL MEDICAL CENTER
[PERIOD JUL 01, 2005 - JUN 30, 2006]

THIS AGREEMENT, entered into the sixteenth day of May 2005 by and between UNIVERSITY OF TENNESSEE, acting through its College of Medicine (hereinafter referred to as "University") and CAMPBELL CLINIC, a Tennessee professional service corporation (hereinafter referred to as the "Corporation").

WITNESSETH:

WHEREAS, in connection with the operation of the College of Medicine, the University requires the services of qualified Orthopaedic Surgeons; and

WHEREAS, the Corporation's employees are qualified to provide such services;

NOW THEREFORE, it is agreed as follows:

1. The Corporation shall provide the University with personnel qualified to provide services in the College of Medicine as:
 - a. 3.5 FTE faculty qualified to supervise the education of Orthopaedic Residents and delivery of patient care services associated with University's Orthopaedic Graduate Medical Education activities at Regional Medical Center. For reference, the number of Orthopaedic Residents associated with this agreement is 14.0 FTE.
2. The number of hours per week, schedule for and duties in connection with these positions shall be mutually agreed between the Corporation and the University. However, the parties agree that the Corporation shall have the exclusive right, based on the operational schedule of the Corporation to designate which of its professional employees shall provide the professional services hereby contracted, provided, however, that the Corporation shall not provide any employees not acceptable to the Dean, or Acting Dean of the University's College of Medicine.
3. The Corporation's employees shall be provided such office space, clerical and secretarial assistance as shall be necessary or desirable to properly perform the duties. Further, the Corporation's employees shall be granted such additional rights and facilities as are available to those persons currently serving in the positions as listed in item (1) on part-time faculty of the University.
4. So long as the Corporation's employees shall continue to devote their best efforts to the services hereby contracted for, the University shall pay the Corporation, for such services, \$65,292.50 per month not to exceed \$783,510.00 per year. The maximum liability under this contract shall not exceed \$783,510.00 for the twelve (12) month period 07/01/05 through 06/30/06. Payment shall be based on the following schedule:

Said payment shall be made by check, payable in monthly installments of \$65,292.50 to the order of the Corporation in its name and no taxes, Social Security payments, contributions to retirement plans or other amounts shall be withheld therefrom. It is understood that this yearly fee shall be reviewed annually between the University and the Corporation.

UNIVERSITY OF TENNESSEE & CAMPBELL CLINIC
AGREEMENT
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5. The Corporation acknowledges its responsibility and agrees to provide professional liability insurance for its employees assigned to fulfill the terms of this contract.
6. The University of Tennessee is self-insured under the provisions of the Tennessee Claims Commission Act, T.C.A. 9-8-301, et. seq., which provides for a limited waiver of the State's sovereign immunity in specified cases up to \$300,000 per claimant and \$1,000,000 per occurrence. Any liability of The University of Tennessee for damages, losses, or costs, arising out of or related to acts performed by the University under this contract is governed by the provisions of said Act.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory laws shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Corporation shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notice of non-discrimination.
8. This is a continuation of UT Contract/Agreement #83328, extending the term of this Agreement for the period of July 01, 2005 through June 30, 2006, unless renewed or amended by the mutual agreement of the parties. This agreement may be terminated by either party for any reason upon ninety (90) days written notice given the other, and this Agreement shall be considered terminated as of the last day of such notice period, but without prejudice to the rights of the parties accrued to that date.
9. The Corporation shall maintain documentation for all charges against the University under this contract. The books, records and documents of the Corporation, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. The records shall be maintained in accordance with generally accepted accounting principles.

IN WITNESS THEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE UNIVERSITY OF TENNESSEE

Vice-President

[GH05.171]

CAMPBELL CLINIC



Chief Executive Officer

1400 S. Germantown Road
Germantown, TN 38138
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TAX ID#62-0811256